

Excerpt

CHRO Labor Market Report

Monthly actionable market intelligence for
HR leaders

December 2025

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The Labor Market Insights Report is a monthly publication delivering timely, data-driven intelligence on global labor market trends. Powered by Benchmark With Gartner — a real-time survey capturing insights from hundreds of HR leaders worldwide — **this report is a preview of what Gartner clients** have access to and offers actionable analysis on emerging workforce challenges and opportunities.

Labor market risks — December 2025

CHROs and their teams should watch the following market risks in December 2025:

1

Political, tech and economic (PTE) pressures dominate labor market risk

Organizations face a complex mix of labor market risks, with PTE factors leading the threat landscape and compounding uncertainty for workforce strategy. Seventy-four percent of HR leaders cite political risks (e.g., immigration restrictions, policy uncertainty), 71% cite technological disruption (e.g., AI displacement) and 68% cite economic pressures (e.g., wage inflation, growth slowdown). CHROs should consider whether their talent strategies are resilient to overlapping external shocks, and whether scenario planning and risk governance adequately address PTE pressures.

2

EVP delivery falters amid competing priorities

Organizations are struggling to design and deliver a compelling employment value proposition (EVP) as competing priorities erode focus on employee experience. Forty-four percent of HR leaders cite reduced organizational focus on employee experience as the top EVP challenge. CHROs should consider whether EVP governance and accountability are clear, and whether leaders and managers are equipped to deliver on promises. They should also ask themselves if EVP messaging is consistent and differentiated enough to bridge gaps between branding and reality in a volatile talent market.

3

AI adoption improves efficiency but heightens employee anxiety

AI implementation is reducing repetitive tasks and boosting productivity, but it is also driving employee anxiety and eroding critical skills, creating long-term risks. Seventy-three percent of HR leaders report reduced repetitive tasks and 55% increased productivity as a result of AI adoption. However, 48% see increased employee anxiety arising from AI in the workplace. CHROs should consider whether AI adoption strategies balance efficiency gains with employee well-being and capability development, and whether safeguards exist to prevent skill erosion and collaboration decline.

4

External pressure threatens inclusion progress

Legislative changes and political polarization remain dominant risks to inclusion efforts, potentially diverting focus from internal accountability and systemic bias. Sixty-eight percent of HR leaders cite legislative changes as the largest potential impact on inclusion, followed by political polarization (46%) and economic uncertainty (37%). Internal challenges such as lack of leader ownership (32%) and measurement difficulties (27%) remain significant but secondary. CHROs should consider whether inclusion strategies are resilient to external pressures and whether governance, measurement and leadership accountability are strong enough to sustain progress amid legislative and political volatility.

5

Job postings decline signals persistent hiring slowdown

Job postings are trending downward for many organizations, reinforcing signs of a cooling labor market and potential pressure on talent acquisition strategies. Twenty-eight percent of HR leaders report postings decreased by 10% or more and 17% by 1% to 9%, compared to 33% reporting increases and 22% no change. CHROs should consider whether hiring plans and workforce strategies reflect sustained slowdown signals, and whether processes are agile enough to capture strategic talent opportunities amid uneven demand.

Labor market insights — December 2025

44%

of HR leaders cite reduced organizational focus on employee experience as the top EVP challenge.

52%

of HR leaders report increased pressure to keep up with AI skills demands as an organizational cultural risk.

68%

of HR leaders cite legislative changes as the largest potential impact on their organization's inclusion efforts.

48%

of HR leaders expect competition for talent to increase despite market cooling.

Labor Market Climate

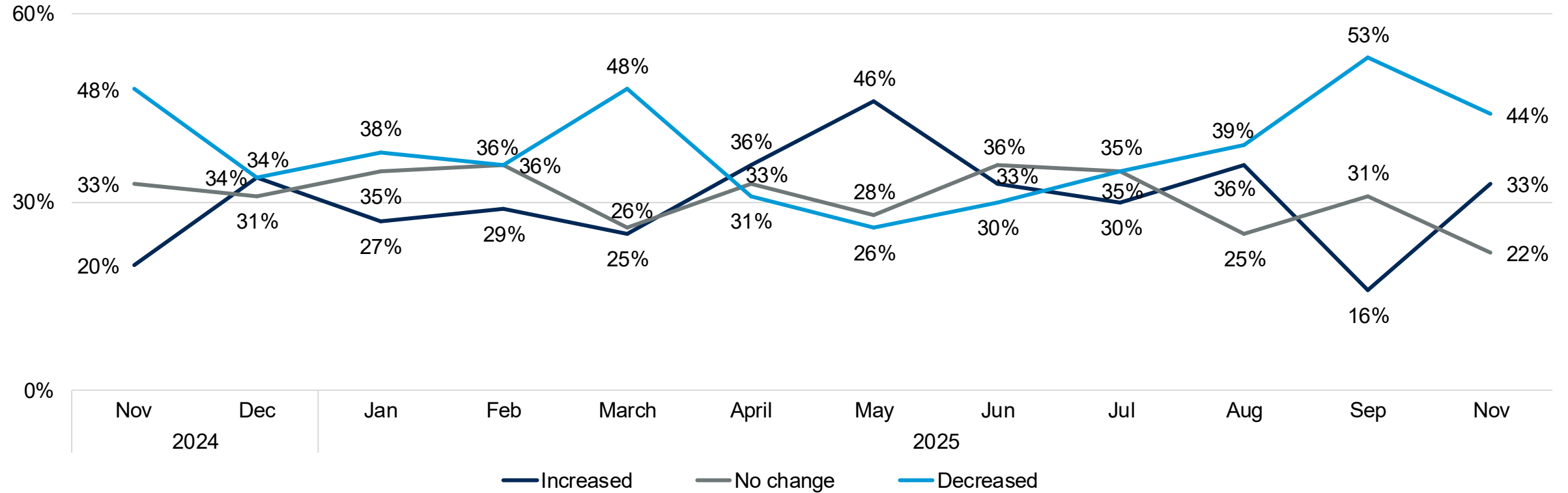
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Job postings decline signals persistent hiring slowdown

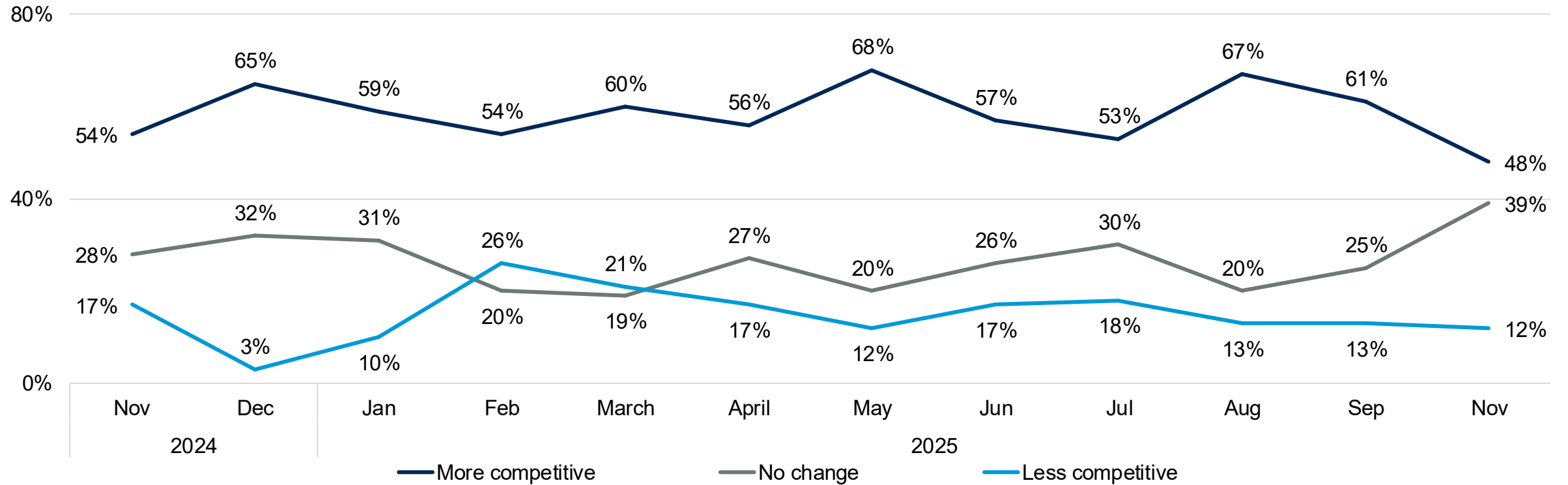
Percentage of HR leaders



n = 36 (Nov 2025), 70 (Sep 2025), 83 (Aug 2025), 40 (July 2025), 33 (June 2025), 50 (May 2025), 81 (Apr 2025), 102 (Mar 2025), 56 (Feb 2025), 88 (Jan 2025), 58 (Dec 2024), 46 (Nov 2024)
 Q: How have your organization's job postings changed this month compared to the average of the last three months? (Select one)
 Source: Benchmark With Gartner
 Note: No data for October 2025

Talent competition remains intense despite market cooling

Percentage of HR leaders



n = 33 (Nov 2025), 83 (Sep 2025), 84 (Aug 2025), 40 (July 2025), 35 (June 2025), 50 (May 2025), 66 (Apr 2025), 106 (Mar 2025), 46 (Feb 2025), 83 (Jan 2025), 62 (Dec 2024), 46 (Nov 2024)

Q: How do you expect talent competition to change in the next three months? (Select one)

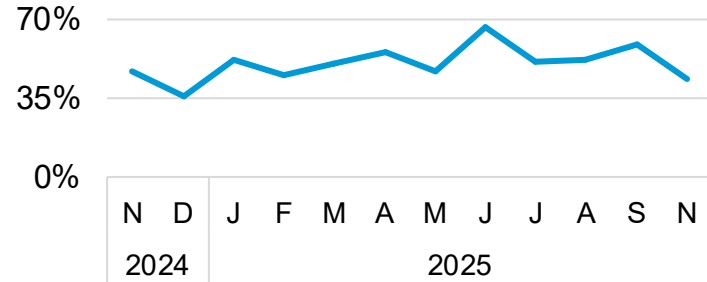
Source: Benchmark With Gartner

Note: No data for October 2025

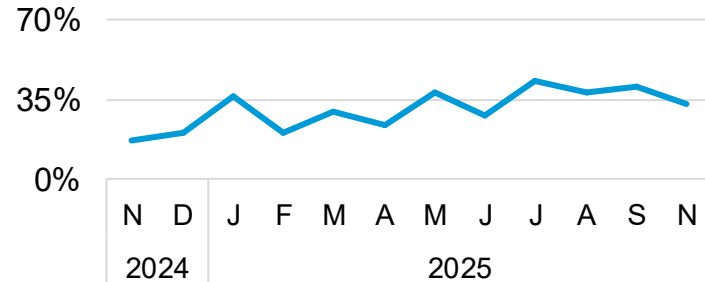
Slight drop in all cost-saving measures but layoffs still elevated

Percentage of HR leaders

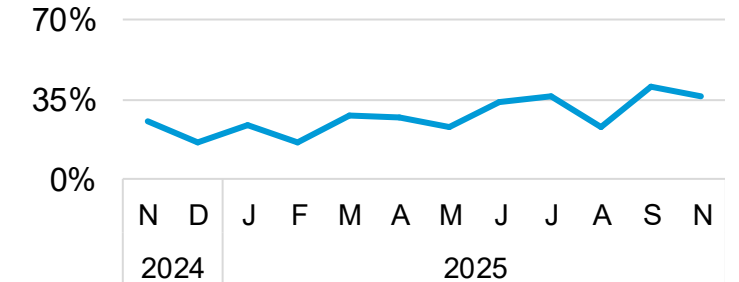
Slow hiring for roles



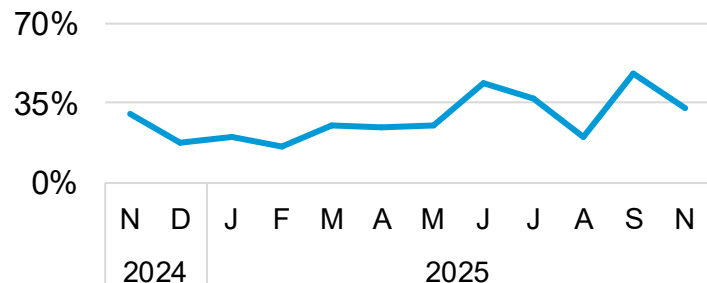
Decrease overall HR budget



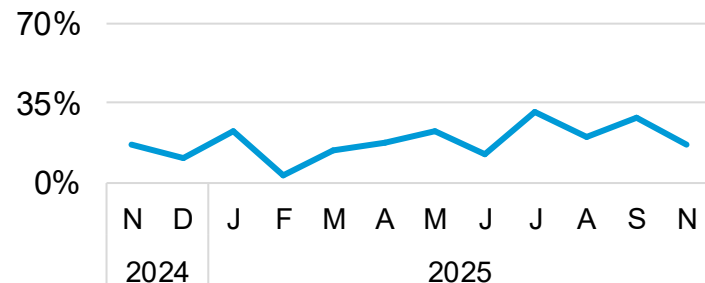
Lay off employees



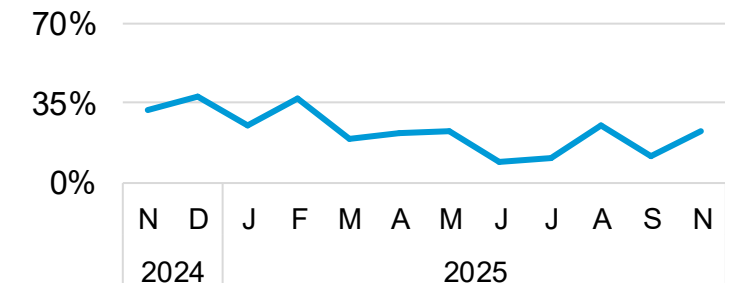
Freeze hiring for roles



Decrease recruiting budget



We do not anticipate taking any cost-saving steps



n = 30 (Nov 2025), 66 (Sep 2025), 81 (Aug 2025), 35 (July 2025), 32 (June 2025), 53 (May 2025), 74 (Apr 2025), 111 (Mar 2025), 38 (Feb 2025), 87 (Jan 2025), 56 (Dec 2024), 47 (Nov 2024)

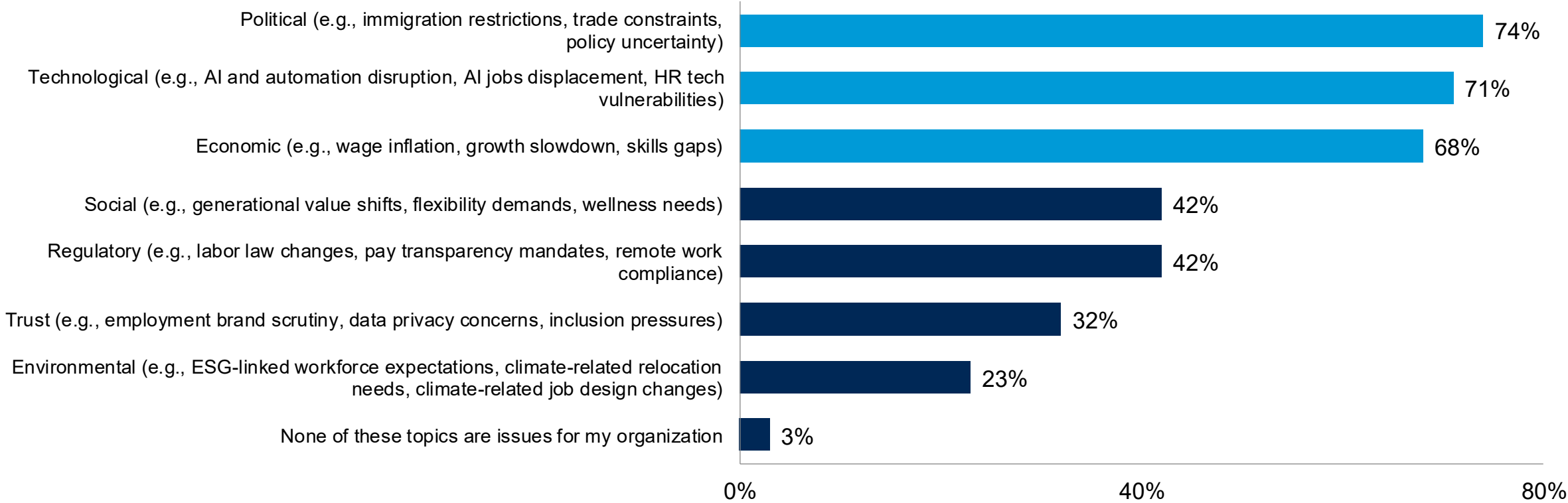
Q: Which of the following talent cost-savings measures do you anticipate your organization taking in the next three months? (Select all that apply)

Source: Benchmark With Gartner

Note: No data for October 2025

Slight drop in all cost-saving measures but layoffs still elevated

Percentage of HR leaders



n = 31 (Nov 2025)

Q: Which of the following TPESTRE trends currently present labor market risk for your organization? (Select all that apply)

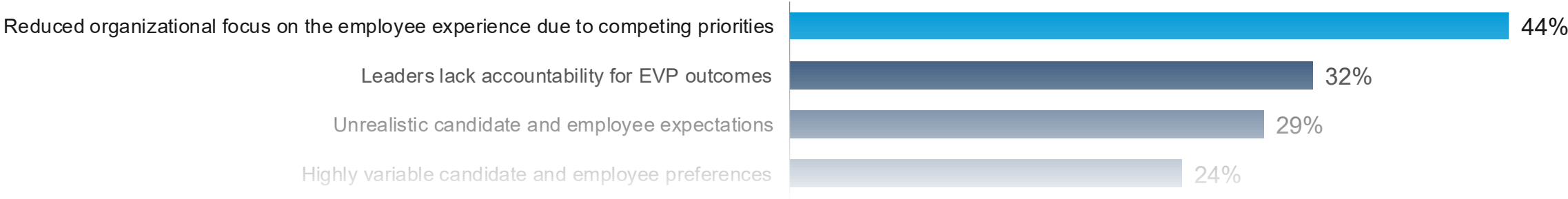
Source: Benchmark With Gartner: Shifts in the Employment Deal and AI Employee Experience Challenges (Nov 2025)

Note: "Other" was a response option but was not selected.

Shifts in the Employment Deal

EVP delivery falters amid competing priorities

Percentage of HR leaders



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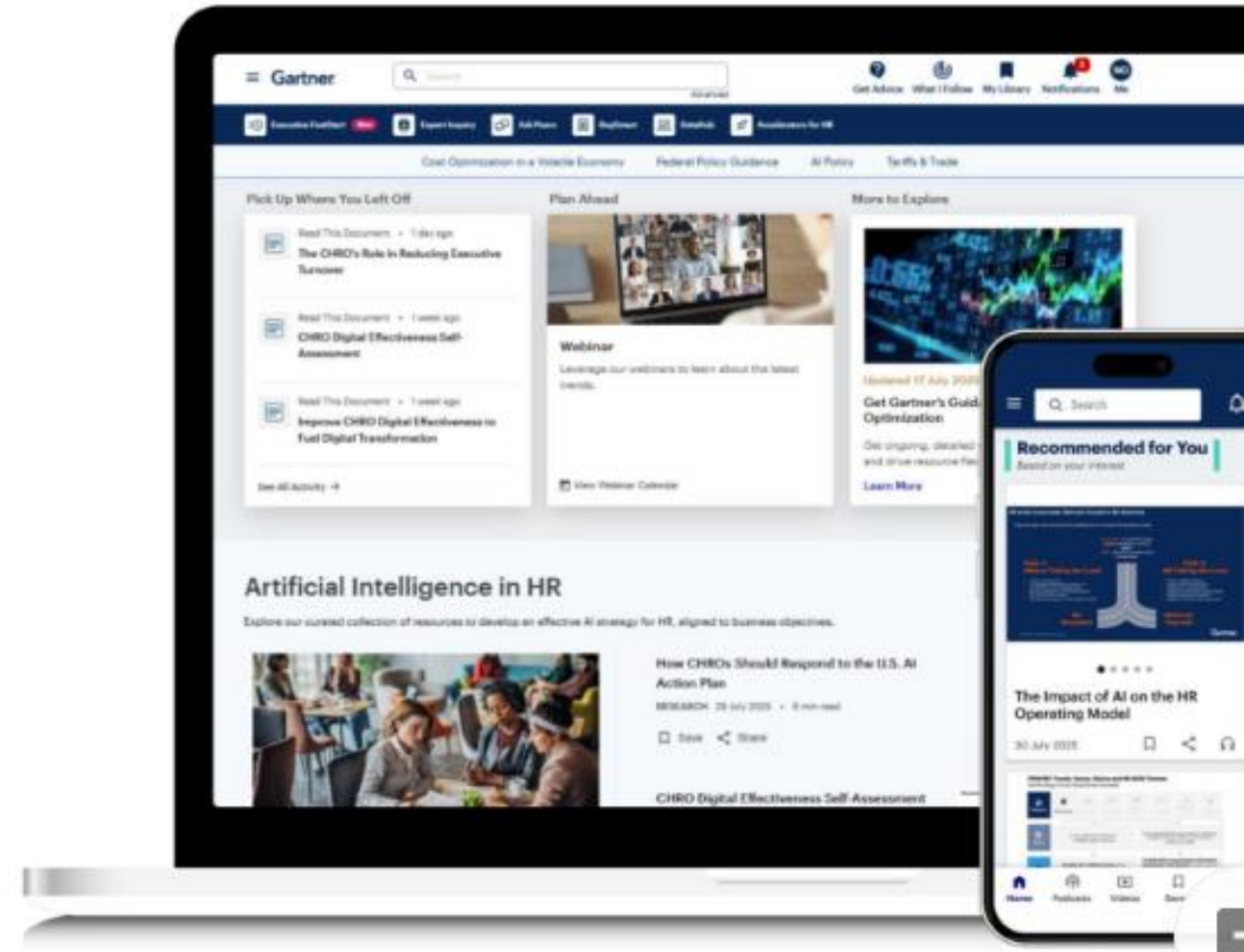
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